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No. 95-728

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IN THE  
**Supreme Court of the United States**  
OCTOBER TERM, 1995

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WARNER-JENKINSON COMPANY, INC.,

*Petitioner,*

v.

HILTON DAVIS CHEMICAL CO.,

*Respondent.*

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**On Writ of Certiorari to the  
United States Court of Appeals  
for the Federal Circuit**

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**BRIEF OF GATEWAY TECHNOLOGIES, INC.,  
AS AMICUS CURIAE IN SUPPORT OF PETITIONER**

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17 PP

## TABLE OF CONTENTS

	Page
TABLE OF AUTHORITIES .....	ii
INTEREST OF <i>AMICUS</i> .....	1
SUMMARY OF ARGUMENT .....	1
STATEMENT OF THE CASE AND FACTS .....	3
ARGUMENT .....	5
I. THE DOCTRINE OF EQUIVALENTS SHOULD BE LIMITED IN APPLICATION TO PREVENT "INVENTION" BY COPYING .....	5
II. BY DIRECTING A DOCTRINE OF EQUIVALENTS ANALYSIS TO SPECIFIC FACTORS DESIGNED TO DISTINGUISH COPYING FROM INDEPENDENT DEVELOPMENT, MANY EQUIVALENTS CASES CAN BE RESOLVED EXPEDITIOUSLY .....	7
CONCLUSION .....	13

## TABLE OF AUTHORITIES

Cases	Page(s)
<i>Brenner v. United States</i> , 773 F.2d 306 (Fed.Cir. 1985).....	9
<i>Graver Tank &amp; Mfg. Co. v. Linde Air Products Co.</i> , 339 U.S. 605 (1950) .....	passim
<i>Hilton Davis Chemical Co. v. Warner-Jenkinson Co.</i> , 62 F.3d 1512 (1995) ( <i>en banc</i> ) .....	passim
<i>Keystone Bridge Co. v. Phoenix Iron Co.</i> , 95 U.S. 274 (1877).....	7
<i>Lear Siegler, Inc. v. Sealy Mattress Co. of Michigan, Inc.</i> , 873 F.2d. 1422 (Fed. Cir. 1989).....	11
<i>Sanitary Refrigerator Co. v. Winters</i> , 280 U.S. 30 (1929).....	8
<i>Spectra Corp. v. Lutz</i> , 839 F.2d 1579 (Fed.Cir. 1988).....	11
<i>Winans v. Denmead</i> , 56 U.S. (15 How.) 330 (1854).....	6
<i>Zenith Laboratories, Inc. v. Bristol-Myers Squibb Co.</i> , 19 F.3d 1418 (Fed.Cir.), <i>cert. denied</i> , ____ U.S. ____ (1994) .....	2

## Statutes and Miscellaneous

35 U.S.C. § 112, ¶2 .....	2
35 U.S.C. § 251 .....	7
Fed. R. Civ. P. 49 .....	11
Fed. R. Civ. P. 50 .....	10

### INTEREST OF *AMICUS*

Gateway Technologies, Inc., is a privately held company<sup>1</sup> that has developed, manufactures, and sells a telecommunication system that is based upon a patented invention to the corrections market. As a telecommunications niche supplier, patent protection and research and development are crucial to its success. It is currently involved in patent litigation as both plaintiff and defendant. *Amicus* has a keen and immediate interest in the role of the doctrine of equivalents in patent litigation.<sup>2</sup>

### SUMMARY OF ARGUMENT

This case gives the Court the opportunity to reexamine completely the applicability and scope of the doctrine of equivalents. In the more than forty-five years since the Court's last explication of the doctrine, in *Graver Tank & Mfg. Co. v. Linde Air Products Co.*, 339 U.S. 605 (1950), patent litigation has grown exponentially in volume, complexity, and importance. Misuse of the doctrine of equivalents has contributed to this growth. Patentee plaintiffs have added charges of infringement by equivalents as a matter of routine, making the doctrine the "second prong" of virtually any infringement claim.<sup>3</sup> This expansive use of a judicially created doctrine intended by this Court strictly as a means to avoid "piracy" and

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<sup>1</sup> Gateway has no subsidiaries.

<sup>2</sup> Gateway has no financial or other direct interest in the outcome of this case. Consents of the parties to this brief have been filed with the Clerk.

<sup>3</sup> See *Hilton Davis Chemical Co. v. Warner-Jenkinson Co.*, 62 F.3d 1512, 1537 (Plager, J., dissenting); see also Pet. at 16 n.16.



mindless formalism has brought consequences that do violence to a basic principle of the patent system, the notion that the patent claims define the metes and bounds of the monopoly grant of a patent.<sup>4</sup>

The consequences to companies and individuals whose livelihood depends upon invention are equally obvious and severe. This Court and the Federal Circuit have described "designing around" a patent as praiseworthy and a benefit to society from the disclosure of an invention required to obtain a patent monopoly. That healthy activity is jeopardized by the threat of defending a new product against an infringement claim based upon a general charge of infringement by equivalents. As demonstrated by the facts of this case, even the result of independent development, with no copying at all, can be subject to an injunction under such an indefinite standard.

It is high time, therefore, that this Court restores the doctrine to its proper, limited place in patent litigation. The Federal Circuit felt itself constrained from a comprehensive reassessment of the doctrine by this Court's decision in *Graver Tank*. Having agreed to review the Federal Circuit's decision, this Court can and should provide that reassessment in light not only of this Court's precedent, but also the practicalities of today's patent litigation and the policies of the Patent Act.

*Amicus* urges the Court to reverse the judgment below, and: (i) to define the limited circumstances—to prevent "invention" by copying—in which the doctrine of equivalents may be applied; and (ii) to list the factors that

<sup>4</sup> See 35 U.S.C. § 112, ¶ 2; *Zenith Laboratories, Inc. v. Bristol-Myers Squibb Co.*, 19 F.3d 1418, 1430 (Fed.Cir.), cert. denied, \_\_\_ U.S. \_\_\_ (1994).

the trial court and jury<sup>5</sup> should consider in analyzing infringement by equivalents in such cases. This Court should provide a clear admonition to trial judges strictly to control the circumstances in which infringement by equivalence may be found.

### STATEMENT OF THE CASE AND FACTS

The facts underlying the infringement dispute in this lawsuit are accurately stated in the Petition. *Amicus* would emphasize the following facts:

- (i) Petitioner developed its filtration process independently of Respondent's patent, Respondent's process, and Respondent's development activities. Petitioner began its research in 1982, more than three years before the patent issued and four years before it actually became aware of the patent. There is no evidence that "copying" played any part in Petitioner's development or refinement of its process.
- (ii) Petitioner's process added significant value to the invention embodied in Respondent's patent. Petitioner was able to use a pH lower than "approximately 6.0" without encountering the "foaming" that appeared to have limited the range claimed in Respondent's patent.

<sup>5</sup> The most acute disagreement among the judges of the Federal Circuit who participated in that court's *en banc* decision was over the role of the jury in a doctrine of equivalents case. *Amicus* does not address that issue, except to note that infringement has traditionally been a matter for the jury. References in this brief to the jury may be read as a reference to the fact finder, whether that be trial judge or jury.

- (iii) The difference between the pH used in Petitioner's process (5.0) was material from that claimed in the patent ("approximately 6.0 to 9.0"). A change in one numerical pH value "represents a relative change in the acidity equal to a factor of 10," and greater changes are even more substantial since the pH scale is logarithmic. 62 F.3d at 1580 n.35 (Nies, J., dissenting).

Similarly, we emphasize certain aspects of the prior proceedings in this litigation:

- (i) This case went to the jury only on a claim of infringement by equivalents. At trial Respondent disclaimed its original charge of literal infringement.
- (ii) The Court of Appeals felt itself bound by this Court's *Graver Tank* decision. Indeed a dissenting judge chided the majority for adhering to *Graver Tank* rather than giving the doctrine of equivalents an overhaul for this Court to evaluate. 62 F.3d at 1545 (Plager, J., dissenting).
- (iii) All of the judges of the Federal Circuit who participated in the *en banc* decision recognized the need for the doctrine of equivalents against piracy and the unscrupulous copier. The differences among the judges went to the factors to be considered in applying and undertaking an equivalency analysis, and to whom—judge or jury—should make the analysis.
- (iv) Applying the doctrine of equivalents to a particular case requires determination of underlying facts. This was also the unanimous view of the judges of the Federal Circuit.

## ARGUMENT

### L THE DOCTRINE OF EQUIVALENTS SHOULD BE LIMITED IN APPLICATION TO PREVENT "INVENTION" BY COPYING

The facts involved in *Graver Tank* support the view that the doctrine of equivalents was intended to be, and should be, carefully limited to prevention of "piracy" by an "unscrupulous copyist"<sup>6</sup>—a so called "invention" that consists primarily of manipulation, more of words than of substance, around the literal scope of a valid patent claim. At issue in *Graver Tank* was the trial court's finding of infringement by equivalents of Linde's patent claims covering an electric welding composition. The patented invention and the alleged infringing composition were "alike" in all respects except that the infringing product used silicates of calcium and manganese rather than silicates of calcium and magnesium. The patent claimed a flux "containing a major proportion of alkaline earth metal silicate." Manganese is not an alkaline earth metal. 339 U.S. at 610. The trial judge found the two compositions "substantially identical in operation and in result," based upon evidence including:

- (1) Expert testimony that manganese and magnesium were similar in many of their reactions (*id.*);
- (2) Expert testimony that alkaline earth metals are often found in manganese ores in their natural state that they serve the same purpose in fluxes (*id.* at 610-11);

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<sup>6</sup> *Graver Tank*, 339 U.S. at 607.



- (3) Contemporaneous prior art references that disclosed use of manganese silicate in welding fluxes (*id.* at 611);
- (4) The fact that "the record contains no evidence of any kind to show that [the infringing product] was developed as the result of independent research or experiments" (*id.*).

On the basis of these findings, which the Court upheld as not clearly erroneous, the Court concluded that "it is difficult to conceive of a case more appropriate for application of the doctrine of equivalents," and that:

"[w]ithout some explanation or indication that [the infringing product] was developed by independent research, the trial court could properly infer that the accused flux is the result of imitation rather than experimentation or invention."

*Id.* at 612.

Since its origination by the courts<sup>7</sup> the doctrine of equivalents has been intended primarily if not exclusively to prevent "fraud on a patent." That it has been taken far beyond this limited purpose is beyond doubt. It has been used, and was used in this case, to attempt to enlarge a patent beyond limits specifically demarcated (in this case numerically) in the applicable patent claim. It has been used, and was used in this case, to attempt to circumvent the doctrine of Patent Office or prosecution history estoppel. It has been used, and was used in this case, to

<sup>7</sup> The doctrine in this country dates back at least to this Court's decision in *Winans v. Denmead*, 56 U.S. (15 How.) 330 (1854). Several dissenting judges in the Federal Circuit trace its genesis back to the English Court of Chancery. See, e.g., 62 F.3d at 1540-41 (Plager, J., dissenting).

enjoin further use of a product that was independently developed and added material value to the invention claimed in the patent. Misuse of the doctrine, as in this case, undermines the statutory requirement of clear claiming in patent applications.<sup>8</sup> Such expansionist use of this judicially created doctrine has cast uncertainty on the innovation that is a crucial and necessary part of a technology in other industries.

The pace of research and development and of the search for new and better products is not likely to be retarded by this uncertainty. Success in many marketplaces (certainly those in which *amicus* competes) depends upon continual technological advances and new and better products. What this uncertainty unquestionably adds, though, is the cost and risk of many unjustifiable lawsuits. In this case the Court should make clear the limited applicability of the doctrine of equivalents to cases in which copying, rather than independent invention, is the principal issue.

## II. BY DIRECTING A DOCTRINE OF EQUIVALENTS ANALYSIS TO SPECIFIC FACTORS DESIGNED TO DISTINGUISH COPYING FROM INDEPENDENT DEVELOPMENT, MANY EQUIVALENTS CASES CAN BE RESOLVED EXPEDITIOUSLY

In *Graver Tank*, the Court enunciated what has come to be known as the triple identity test: "a patentee may invoke this doctrine to proceed against the producer of a device 'if it performs substantially the same function in substantially

<sup>8</sup> Post-issuance enlargement of claims is prohibited by the Patent Act, 35 U.S.C. § 251, and forbidden to the courts in patent litigation. *Keystone Bridge Co. v. Phoenix Iron Co.*, 95 U.S. 274, 278 (1877).

the same way to obtain the same result.'" 339 U.S. at 608, citing *Sanitary Refrigerator Co. v. Winters*, 280 U.S. 30, 42 (1929). The Court listed the following factors as relevant to conducting a function-way-result analysis:

- (1) ". . . the purpose for which an ingredient is used in a patent, the qualities it has when combined with the other ingredients, and the function which it is intended to perform" (339 U.S. at 609);
- (2) Whether persons skilled in the art would have known of the interchangeability of the ingredient claimed to be equivalent (*id.*);
- (3) Whether the accused product "was developed as a result of independent research or experiments" (*id.* at 611);
- (4) Whether the accused product was "the result of imitation rather than experimentation or invention" (*id.* at 612);
- (5) The degree to which the changes differed from those claimed in the patent (*id.*).

The Court of Appeals in this case focused on the first and last of these factors, which it summarized as "the substantiality of the differences between the claimed and accused products or processes . . . ." 62 F.3d at 1518. It also endorsed the second factor, and deemed relevant evidence of whether the alleged infringer had knowingly copied the patent in suit. The majority judges, however, held that evidence of independent development (embodied in the third and fourth factors listed above) was relevant only to disprove a patentee's evidence of copying by the alleged infringer. The majority also rejected any evidence of the intent of the alleged infringer. The dissenting judges would have included both of these as relevant, and would also have trial courts consider

- (6) whether use of the doctrine is prohibited by the rationale of prosecution history estoppel;
- (7) prior art limitations; and
- (8) whether the claim of infringement serves to enlarge the patent claim.

*Amicus* would add a further factor, by rephrasing a combination of items (1) and (5): whether the accused product or process adds utility to the patented invention.

*Amicus* believes that all of the above factors, and perhaps others, have their place, both in considering whether the case is one of those few to which the doctrine of equivalents may be applied, and, if so, in undertaking the factual analysis<sup>9</sup> necessary to determine equivalency.

In many cases in which a patentee asserts infringement by equivalence, careful control by the trial judge will permit prompt resolution of these issues and simplification of the matters ultimately to be determined by the fact finder. Many factual matters, even in complicated lawsuits involving complicated subject matter, are subject to summary resolution by the trial court, "in a patent case as in any other." *Brenner v. United States*, 773 F.2d 306, 307 (Fed. Cir. 1985). *Amicus* believes that many of the doctrine of equivalents factors listed above will be susceptible of such resolution in many of the cases in which equivalency infringement is now asserted.

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<sup>9</sup> Two aspects of the doctrine of equivalents cited by this Court in *Graver Tank*, 339 U.S. at 609, were acknowledged as correct by all the judges of the Court of Appeals in this case:

—"Equivalence in the patent law, is not the prisoner of the formula and is not an absolute to be considered in a vacuum."

—"A finding of equivalents is a determination of fact."



Trial courts can employ several of these criteria to determine whether the doctrine is available at all. In our view there is no place for the doctrine if the record reveals:

- (i) significant independent development by the alleged infringer; or
- (ii) significant value added by the ingredient outside the patent claim but alleged to be equivalent; or
- (iii) claim of equivalence as to a matter which could have been, but was not, claimed in the patent, or which could not have been claimed in light of the prior art.<sup>10</sup>

Often sufficient evidence of one or more of these items will be available early in a patent case; indeed (as in this case), the patent prosecution history may disclose it. More often, such evidence will be developed during discovery, and available before trial for resolution by the Court on summary judgment.

Other criteria relevant to an equivalence analysis—substantiality of the differences in the two products, the extent of copying versus designing around, and the defendant's intent—are less susceptible of bright line rules, but may nevertheless be ruled on summarily by the trial judge, either on a pretrial motion for summary judgment or a post-verdict motion for judgment as a matter of law (JMOL) under Fed. R. Civ. P. 50. Merely because factual determinations are involved does not preclude summary resolution if there is insufficient evidence to present the fact finder with a material issue of fact for determination. For example, the triple identity test is conjunctive, and lack of evidence on any of its prongs will

<sup>10</sup> As noted above, *supra*, pages 3-4, there was undisputed evidence of all three of these criteria in this case.

cause claimed equivalence to fail. There will be situations where no reasonable juror could find substantial identity.<sup>11</sup> See, e.g., *Spectra Corp. v. Lutz*, 839 F.2d 1579, 1581-82 (Fed. Cir. 1988). In cases where a factual issue remains for the jury a carefully crafted jury charge<sup>12</sup> and answers to special interrogatories (Fed. R. Civ. P. 49) may yield a factual foundation for a legal conclusion of JMOL.

For four distinct reasons, *amicus* prefers a summary judgment standard to the equitable threshold test proposed by the dissenting judges in the Court of Appeals. See 62 F.3d at 1544-45 (Plager, J., dissenting); 62 F.3d at 1549 (Lourie, J., dissenting). First, summary judgment is the norm in all civil cases, and no one has advanced a compelling reason why there should be a special rule, the equivalent of an equitable writ, just for patent cases. Second, the threshold test proposed by the dissenters turns, as they acknowledge, not on traditional equitable considerations, divorced from the merits of the ultimate determination of equivalency, but rather on the applicability of the equivalency criteria themselves. Third, equating the doctrine to an equitable writ will generate needless litigation over collateral issues (clean hands, for example)

<sup>11</sup> *Amicus* believes the difference in pH between Petitioner's process and Respondent's patent claim makes that true of this case.

<sup>12</sup> The jury charge in this case (quoted at 52 F.3d 1561 (dissenting opinion of Judge Nies)) was conclusionary and plainly inadequate, really nothing more than a summary restatement of the triple identity test. A trial judge must fashion the charge to the relevant circumstances of the particular case to provide the jury adequate guidance for a substantiality determination. See *Lear Siegler, Inc. v. Sealy Mattress Co. of Michigan, Inc.*, 873 F.2d 1422, 1425-26 (Fed. Cir. 1989) ("a jury must be separately directed to the proof of each *Graver Tank* element").

that are part of traditional equity jurisprudence but usually irrelevant to a patent suit. Fourth, and most importantly, the standards of review by a Court of Appeals of a summary judgment determination are well established and far more manageable than those for the grant or denial of an equitable writ. The Federal Circuit will be able in future cases to adapt these standards to the criteria enunciated by this Court as appropriate for equivalency determinations.

The application of the equivalence criteria to any case requires careful control by a trial judge. Trial judges have been accused, even by certain judges of the Federal Circuit,<sup>13</sup> of translating a dislike of patent cases or a lack of technical expertise into a predilection to pass off difficult issues to the jury whenever possible. If this occurs it is indefensible whatever one's views of the role of the jury in patent litigation. Patent litigation has sprouted like the leaves of the green bay tree. Restricting the doctrine of equivalents as *amicus* proposes may not stem this growth, but it should eliminate one excess that defies the regime established by Congress for promotion of the useful arts. Under either an equitable threshold standard or the ordinary rules for summary judgment, JMOL, and jury charges, the trial judge must keep the doctrine of equivalents in its proper, limited place.

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<sup>13</sup> See, e.g., 62 F.3d at 1538, 1542 (Plager J., dissenting).

## CONCLUSION

The Court should limit use of infringement by equivalents to cases of "invention" by copying, and set out the criteria for application of the doctrine of equivalents in that limited class of cases. Under the standards proposed by *amicus*, the judgment of the Court of Appeals should be reversed.

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